



SOLAR INDUSTRY CONSUMER PROTECTION EFFORTS

Thomas Kimbis, Interim President, SEIA

Ed Murray, Executive Committee, CALSEIA Board of Directors

Chair, CALSEIA Ethics Committee

Chair, Heating & Cooling Alliance

Member, SEIA Board of Directors

Member, North American Board of Certified Energy Practitioners
(NABCEP) Board of Directors

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CONSUMER PROTECTION & RIGHTS: A LONG-STANDING TENET OF CALIFORNIA ENERGY POLICY

Since 1978, the state of California has been a leader in protecting the rights of individuals to generate their own electricity from the sun. (AB 3250 & AB 2321, 1978)

Government Code 65850.5: "It is the policy of the state to promote and encourage the use of solar energy systems and to limit obstacles to their use."

These protections extend to regulations adopted by the CPUC, as well as other state agencies, to protect consumers who have invested in solar energy systems.

Ex. March 2014 CPUC Decision to establish a 20-year transition period to "*ensure that customers who interconnect renewable distributed generation systems ...have a reasonable opportunity to recoup the costs of their investment in those systems...*" and to reflect the expected life-span reflected "*in many existing power purchase agreements and financing arrangements...*"

WHY ACTION ON CONSUMER PROTECTION?

- Consumer protection (CP) is a top priority
 - Need for leadership in CP as industry grows
 - Yearly installations (by MW-installed) in California more than doubled from 2013 to 2015
 - 40 years to reach 1 million installations in the US, 2 years to reach the 2nd million
 - Need for more specific tools & resources for companies and consumers
 - Increased news coverage about “solar scams”
 - More states and cities considering regulation
- **Increase consumers’ understanding of solar transactions.**

CALSEIA ETHICS AND CONSUMER PROTECTION COMMITTEES

Ethics and Consumer Protection Committees

- Create education materials directed at Californians
- Developed Code of Ethics
- Respond directly to consumer complaints
- Enforce Code of Ethics

Coordinate with key audiences and partners: consumers, industry, government, and media

- Collaborate and coordinate with partners on education, compliance, and enforcement
- Protect NEM Consumers: their ability to go solar, and their investment in solar

Members

- National developers to regional installers



SEIA CONSUMER PROTECTION COMMITTEE

Mission

- Improve consumer understanding of the solar transaction

Focus on key audiences and partners: consumers, industry, government, and media

- Increase their understanding of solar energy transactions
- Inform them of solar technical capabilities, and characteristics
- Collaborate and coordinate with partners on education, compliance, and enforcement
- While maintaining a pro-growth, pro-competitive stance

Members

- National developers to regional installers



EXISTING REGULATION OF SOLAR INDUSTRY

- The solar industry is highly regulated at the federal, state, and local level.
- California's regulations rooted in laws in effect for many decades.
- Federal and local laws augment state regulations. And federal regulators work with state regulators in enforcing laws.
- Solar industry now leading charge for consumer protection.

Finance	Construction/ Electrical	Advertising and Marketing
Solar finance is governed by federal, state and local laws, regulations and ordinances covering leases, loans and home sales.	Solar installations are governed by the rules and guidelines of state contractor and electrical licensing boards, state electrical and building codes, and local contracting, permitting, and zoning rules.	Companies that advertise or market products to consumers are governed by federal and state false advertising laws as well laws on telemarketing laws (<i>e.g.</i> , prohibition on most robocalls).

EXAMPLE CALIFORNIA LAWS

- Unfair Competition Law (BPC § 17200)
- False Advertising Act (BPC § 17500)
- Robocall and Telemarketing Regulations (Public Utilities Code §§ 2871-2876)
- Consumer Legal Remedies Act (Civil Code §§ 1750-1784)
- Regulations for Contracts from Home Solicitations (Includes Civil Code §§ 1689.5, 1689.6, 1689.7, 1689.10)
- Home Improvement Sales Persons (BPC §§ 7150-7168)

EXAMPLE FEDERAL LAWS

- Federal Trade Commission Act
- Consumer Leasing Act / Regulation M
- Telephone Consumer Protection Act (TCPA)
- Truth in Lending Act
- Unfair Deceptive Practices Act
- CAN-SPAM Act
- OSHA Law and Regulations

CALSEIA LEGISLATIVE EFFORTS

- **SB 561 (Monning) – Improved Home Improvement Salesperson licensing at the CSLB to streamline and reduce soft costs while decreasing unregistered activity.**
- **AB 2188 & Permitting – Streamline and standardize permitting process for residential systems to reduce soft costs and increase compliance with codes.**
- **AB 2693 (Dababneh) - Supported passage to enhance disclosure requirements for PACE financed systems**

EXISTING SOLAR INDUSTRY REGULATORS

Finance	Construction/ Electrical	Technology	Manufacturing
<ul style="list-style-type: none">• California Attorney General• California Department of Business Oversight• Consumer Financial Protection Bureau• Federal Trade Commission• Federal Communications Commission	<ul style="list-style-type: none">• Contractors State License Board• Board for Professional Engineers, Land Surveyors, and Geologists• Local Municipality Licensing/Permitting• Occupational Safety and Health Administration	<ul style="list-style-type: none">• Federal Trade Commission• Federal Communications Commission• California Attorney General	<ul style="list-style-type: none">• California Attorney General• Federal Trade Commission• National Electric Code• Underwriters Laboratory (UL)

EDUCATION & OUTREACH

- Partner organizations
- Grassroots outreach
- News articles
- Conferences/Training
- Webinars
- Ongoing discussions with governments, consumer groups, and media to make sure that the end goal – **increased consumer understanding of the solar transaction** – is reached

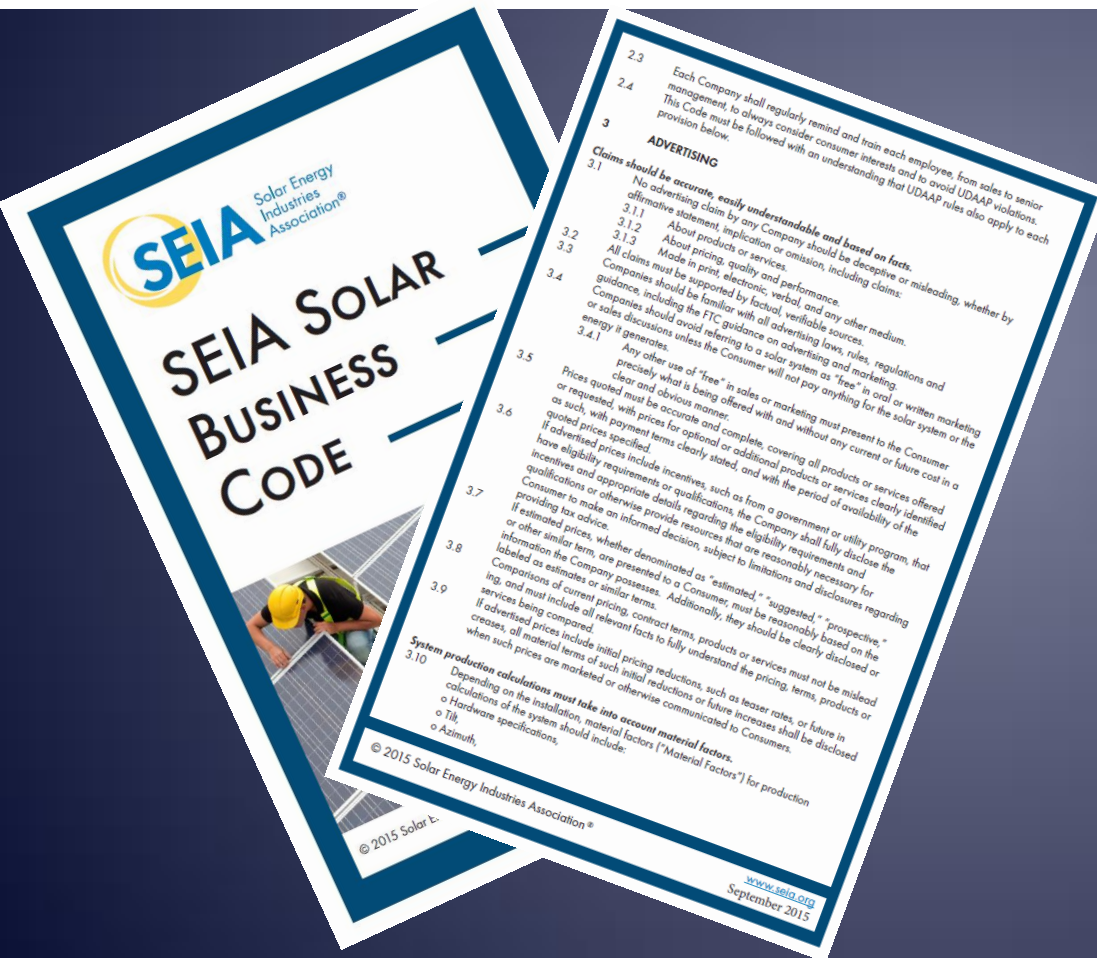
CONSUMER PROTECTION MATERIALS

- All materials are available for free:
 - www.seia.org/consumers
 - www.calseia.org/consumer-protection
- *CALSEIA Code of Ethics*
 - Developing code of conduct for lead generators and lead buyers
- *SEIA Solar Business Code*
- *SEIA Residential Consumer Guide to Solar Power*
 - Spanish version available
 - CALSEIA and SEIA working on a California-specific version of the *Residential Consumer Guide to Solar Power*
- *SEIA Residential Consumer Guide to Community Solar*

CONSUMER PROTECTION MATERIALS (CONT'D)

- *SEIA Solar Disclosure Forms*
 - Leases, PPAs, and Sales
 - Snapshot of key terms in an agreement
- Model contracts for residential leases and PPAs
- Industry updates on relevant topics
 - Guide on UCC-1 filings for real-estate professionals
 - Alert on telemarketing and FCC compliance
- Compliance tools (in development)
 - Checklist for lead generation best practices
 - Compliance guides (e.g., advertising laws)
 - Lead generation compliance services at a discount to SEIA members

SEIA SOLAR BUSINESS CODE



- Mandatory for all SEIA members
- Covers advertising, marketing, & contracts
- Remind companies about relevant CP laws
- Must take reasonable steps to ensure third-party providers are following the rules
- Backing up claims
- Future electricity rate estimates
- Key contract terms
- Explaining RECs

CALSEIA CODE OF ETHICS

Fundamental Canons

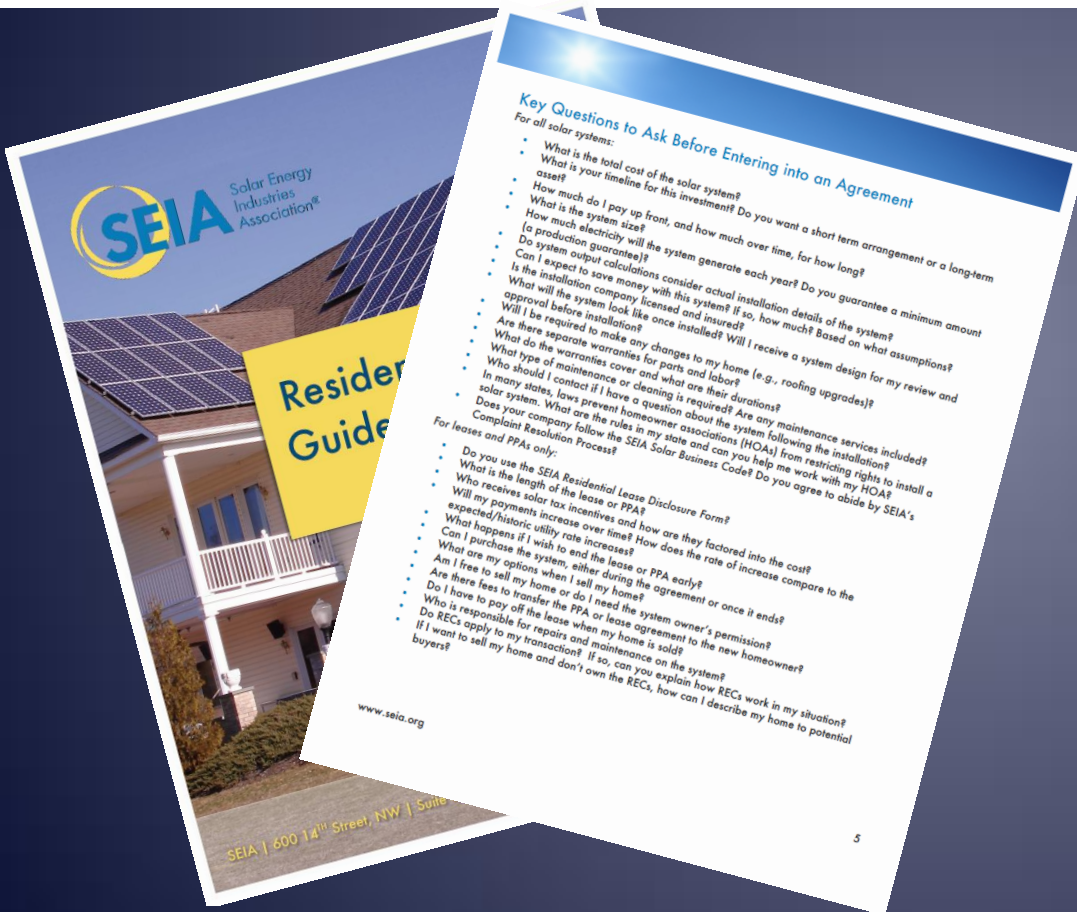
- Members shall hold paramount the safety, health and welfare of the public in the performance of their duties.
- Members shall act in professional matters for each employer or client as faithful agents or trustees.
- Members shall maintain the highest ethical standards of advertising, selling, installation and service guided by the principles of honesty and integrity.

Professional Obligations

- Members shall avoid deceptive advertising.
- Members, to the best of their ability, shall install solar energy systems in compliance with applicable codes and standards.
- Members shall offer and honor contracts and comply with all applicable state and local laws.
- Members shall not falsify or permit others to falsify professional qualifications (licensing, education, etc.) as a solar contractor.
- Members shall present honestly the energy savings potential of solar energy systems.
- Members shall employ well-trained employees and provide them with up-to-date, underwritten training.
- Members shall be guided in all their professional relations by the highest standards of integrity.
- Members shall admit and accept their own errors when proven wrong and take appropriate action to correct the error.
- Members shall observe and foster the highest standard of safety and working conditions for employees.
- Members shall not attempt to injure, maliciously or falsely, directly or indirectly, the professional reputation and practices of other members, and not untruthfully criticize other members.
- Members shall actively participate in the training of skilled tradespeople for the future welfare of the solar energy industry.
- Members shall not attempt to attract an employee from another firm by false or misleading pretenses.
- Members shall endeavor to extend public knowledge and appreciation of solar energy systems, their achievements and effect on the environment and to protect the solar energy profession from misrepresentation and misunderstanding.
- Members shall avoid all practices which are likely to discredit the profession or deceive the public.

- Mandatory for all CALSEIA members
- Covers marketing through installation
- Prohibit deception of services provided and professional qualifications
- When wrong, a company must work to correct the error
- Developing standards for lead generators and companies working with lead generators

SEIA RESIDENTIAL CONSUMER GUIDE TO SOLAR POWER



- Goal: make 'going solar' as effortless and streamlined as possible for informed consumers
- Six pages
- Questions to ask before you begin to go solar
- Financing options available
- Important contracting terms
- RECs
- Guide updated regularly
- CALSEIA and SEIA working on a California version

SEIA DISCLOSURE STATEMENTS

SEIA® SOLAR LEASING DISCLOSURE STATEMENT

This streamlined statement is designed to help you understand the terms and costs of your solar lease.
This statement is not a substitute for the contract, lease and other documents associated with this transaction.
Read your contract and other documents carefully. All information presented below is subject to the terms of your contract.

LESSOR: Address:	INSTALLER: Address:	WARRANTY/MAINTENANCE PROVIDER: Address:
Tel.:	Tel.:	Tel.:
License # (if applicable):	State/County Contractor License #:	License # (if applicable):
Email:	Email:	Email:

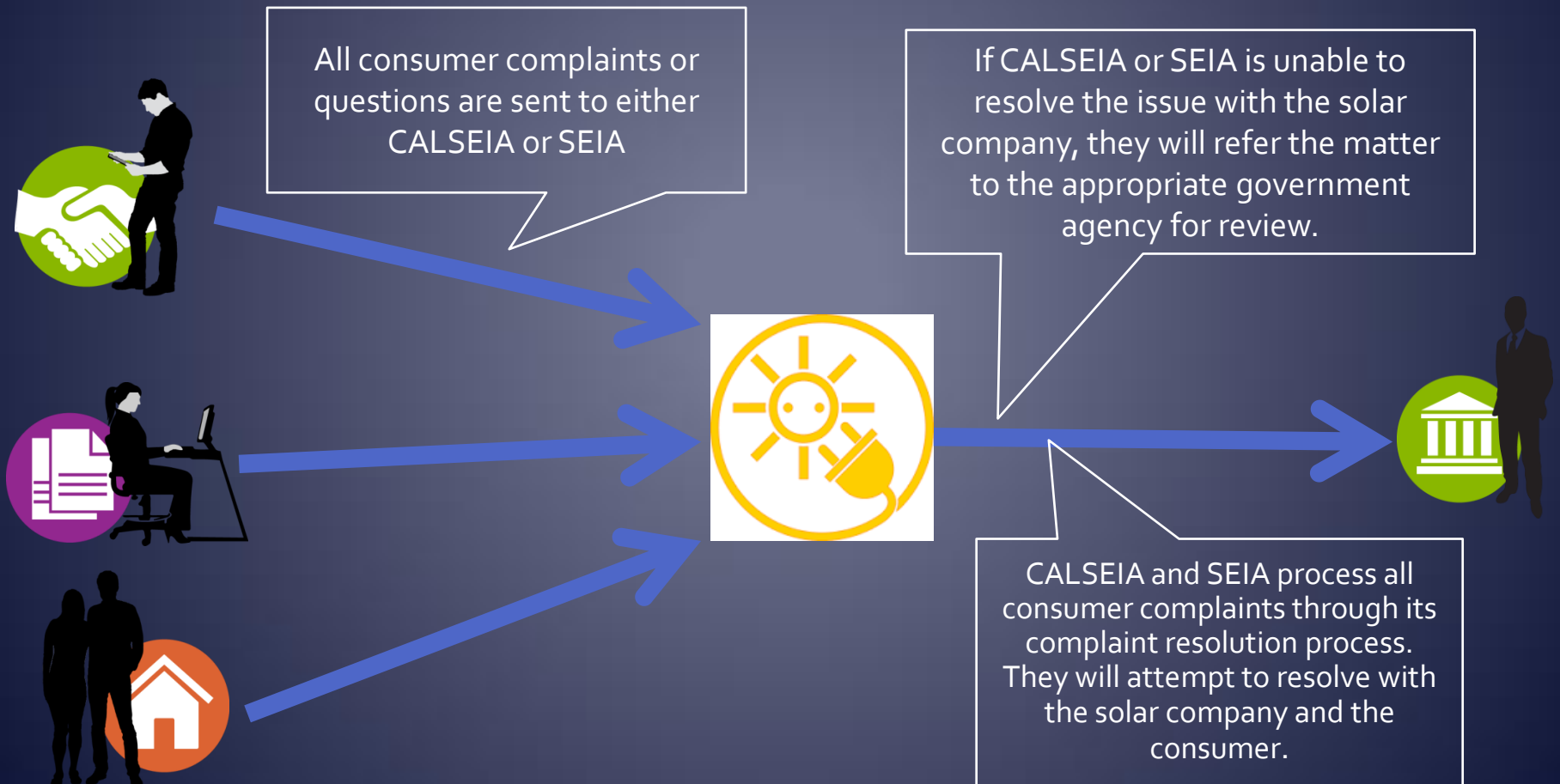
LESSEE: Customer ID:
System Installation Address:
Lessee Mailing Address:
Email:
Contract Date:

* NOTE: YOU ARE ENTERING INTO AN AGREEMENT TO LEASE A SOLAR SYSTEM. YOU WILL NOT OWN THE SOLAR SYSTEM INSTALLED ON YOUR PROPERTY. YOU CANNOT CLAIM THE FEDERAL INVESTMENT TAX CREDIT. CONSULT WITH YOUR TAX ADVISOR.

Amount & Term (A)	Amount Due Up-Front (B)	Total Estimated Lease Payments (C)	Other Possible Charges (D)
Your monthly payment during the first year of the lease: \$ _____	Amount you owe Lessor at solar lease signing: \$ _____	Total of all your monthly payments and estimated taxes over the course of the lease:	Other charges you may have to pay under your solar lease:
The length of your solar lease: <input type="checkbox"/> _____ Years <input type="checkbox"/> _____ Months	Amount you owe Lessor at the completion of installation: \$ _____	Your estimated total lease payments excluding taxes are \$ _____	Late Charge: If a payment is more than _____ days late, you will be charged \$ _____.
	Total up-front payments you owe Lessor: \$ _____	Your estimated total tax payments are \$ _____ based on estimated average monthly tax payment of \$ _____	Estimated System Removal Fee: \$ _____
"NOTE: See Box G: "Lease Payment Escalator" for factors that may affect the amount of future monthly payments.		Incentives Included In Your Estimated Lease Payments: <input type="checkbox"/> None I <input type="checkbox"/> _____ _____ _____	UCC Notice Removal and Re-Filing Fee: If you refinance your mortgage, you may have to pay \$ _____
			Non-Connection to Internet: If you do not maintain a high-speed internet connection, you will be charged a monthly fee of \$ _____ and/or as a result your monthly payments may be based upon estimates

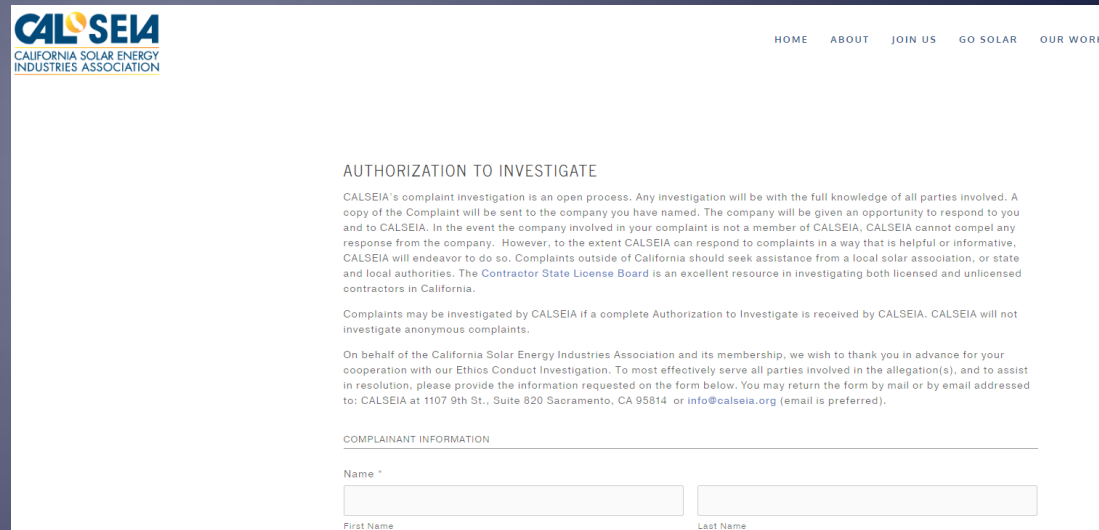
- Snapshot of the key terms in an agreement
- Help consumers understand an agreement and compare offers
- Help you engage with consumers
- Versions for lease and PPAs are available
- Version for system purchases in development
- CALSEIA adopting the forms
- Commitment from major companies to use the forms by the end of the year

COMPLAINT RESOLUTION PROCESS



CALSEIA ETHICS COMPLAINT INVESTIGATION PROCESS

- Reinforces CALSEIA's Code of Ethics
- Accepts complaints against members and non-members
- Supplements government enforcement
- Open process to foster transparency
- Resolve complaints quickly
- Refer complaints to the appropriate government regulator when necessary



The screenshot shows the CALSEIA website header with the logo and navigation links (HOME, ABOUT, JOIN US, GO SOLAR, OUR WORK). The main content area is titled "AUTHORIZATION TO INVESTIGATE" and contains a detailed paragraph explaining the complaint process. Below this, there is a section for "COMPLAINANT INFORMATION" with a form for "Name *". The form has two input fields: "First Name" and "Last Name".

CALSEIA
CALIFORNIA SOLAR ENERGY
INDUSTRIES ASSOCIATION

HOME ABOUT JOIN US GO SOLAR OUR WORK

AUTHORIZATION TO INVESTIGATE

CALSEIA's complaint investigation is an open process. Any investigation will be with the full knowledge of all parties involved. A copy of the Complaint will be sent to the company you have named. The company will be given an opportunity to respond to you and to CALSEIA. In the event the company involved in your complaint is not a member of CALSEIA, CALSEIA cannot compel any response from the company. However, to the extent CALSEIA can respond to complaints in a way that is helpful or informative, CALSEIA will endeavor to do so. Complaints outside of California should seek assistance from a local solar association, or state and local authorities. The Contractor State License Board is an excellent resource in investigating both licensed and unlicensed contractors in California.

Complaints may be investigated by CALSEIA if a complete Authorization to Investigate is received by CALSEIA. CALSEIA will not investigate anonymous complaints.

On behalf of the California Solar Energy Industries Association and its membership, we wish to thank you in advance for your cooperation with our Ethics Conduct Investigation. To most effectively serve all parties involved in the allegation(s), and to assist in resolution, please provide the information requested on the form below. You may return the form by mail or by email addressed to: CALSEIA at 1107 9th St., Suite 820 Sacramento, CA 95814 or info@calseia.org (email is preferred).

COMPLAINANT INFORMATION

Name *

First Name Last Name

SEIA COMPLAINT RESOLUTION PROCESS

- Gives “teeth” to the *SEIA Solar Business Code*
- Straightforward, flexible process
 - Encourage parties to resolve their differences directly
 - Provide a non-confrontational forum for dispute resolution before going to court
- Supplement government enforcement, not supplant it
 - Will share information with the appropriate regulator
- Non-members
 - Reach out to inform them about the complaint and encourage them to take part in the process
 - Have the right to pass the complaint onto the appropriate regulator



- CALSEIA Joined SEAC upon its formation over a year ago. Goal of group is to work with building officials to jointly better understand new developments in technology, code and standards, to avoid unnecessary red tape while increasing consumer protections through informed and educated building officials.

QUESTIONS

